

February 25, 2009

Senator John Lee, Chair
Senate Committee on Government Affairs
401 S. Carson Street
Carson City, Nevada 89701-4701

Dear Chairman Lee and Members of the Senate Government Affairs Committee:

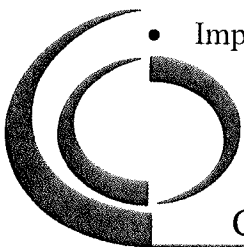
The Reno Sparks Chamber of Commerce, Northern Nevada's largest business organization, applauds you for examining the very important issues of public employee salary and benefit levels. As some of our members are literally struggling to survive in this economic environment, it is important that this Legislature examine our current revenues before any discussion of tax increases are warranted.

The hearing you are holding today is an important first step in this process. The Chamber values the hard work performed by our public employees and we believe that they should be well compensated and receive reasonable benefits. However, public employee salaries and benefits must more closely mirror the private sector.

We cannot continue down the unsustainable course that we have set. We must fully fund our PERS and PEBP system. Our members are finding it increasingly difficult to pay for the health insurance and retirement costs of their own employees. We cannot expect them to carry the burden of an unsustainable public employee retirement system as well. We urge you to carefully study the Fiscal Analysis reports that the Las Vegas Chamber has published. They should be commended for their hard work and dedication on this project and we stand beside them in supporting these important long-term spending reforms

Before tax increases should even be considered, the Chamber believes that state policymakers should demonstrate substantial progress in the following areas:

- Aggressively implementing SAGE Commission recommendations to make state operations more efficient and cost-effective.
- Passing much-needed reforms to PERS and PEPB.
- Revising state laws that govern public employee labor contracts and prevailing wage laws.
- Expedited and enhanced collection of uncollected fees owed to the government.
- Implementation of a spending cap and creation of stable reserve accounts.



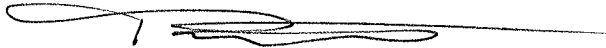
RENO-SPARKS
CHAMBER
OF COMMERCE

Only after substantial progress is made in implementing these much-needed reforms should additional revenues be carefully considered.

We look forward to working with this Committee and the entire Legislature on these important issues.

Thank you for your service to our state. Please do not hesitate to contact me on this or any other matters of concern to you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ralph Hartmann', with a long horizontal flourish extending to the right.

Ralph Hartmann
Chair